UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
ATATEKS FOREIGN TRADE LTD, JORDAN

Plaintiffs,

Index No. 07 Civ. 6665 (HB)

v.

PRIVATE LABEL SOURCING, LLC AND SECOND SKIN, LLC,

AND ATATEKS DIS TICARET A.S.,

Defendants.

## DECLARATION OF ILHAN ARSLAN IN OPPOSITION TO MOTION FOR PARTIAL SUMMARY JUDGMENT

ILHAN ARSLAN hereby declares subject to the penalties of perjury under the laws of the United States of America pursuant to 28 U.S.C. § 1746:

- I was formerly the General Manager of Plaintiff Atateks Foreign Trade

  Ltd, Jordan. This company and the other Plaintiff, Atateks Dis Ticaret A.S., (collectively,

  "Atateks") both manufacture women's apparel.
- 2. In 2006, Defendant Private Label Sourcing LLC stopped making payment to Atateks on time. Christine Dente, who runs Private Label, told us this was because of a "cash flow issue." See Email from Christine to Ilhan Arslan dated November 6, 2006, attached hereto as Exhibit A.
- 3. Atateks dealt with Private Label through an entity called Basul Tekstil LDT, which was run a woman by the name of Imer Basul. In mid 2005, Ms. Basul told me that Ms. Dente wanted "commissions" to be paid to her through a company she had created called Second Skin, LLC, which is now a Defendant in this case. Ms. Dente wanted us to increase our prices to Private Label to build in a commission that we would then turn over to Second Skin. Ms. Basul informed me that Ms. Dente wanted to do this because she was having trouble with

the other owner of Private Label and therefore she wanted to put money into her pocket without

it going through Private Label. On a later occasion in mid 2005, Ms. Dente repeated all of this to

me herself.

4. Atateks had been doing business with Private Label since 2002. Ms.

Dente had never asked for these kinds of payments before. Ms. Basul and Ms. Dente made it

clear that they really wanted us to pay these commissions. We didn't want to lose our business

with Target Corporation through Private Label, which would have been a disaster for Atateks, so

we did what they asked us to do.

5. In July, 2006, Atateks received two emails from Nilda Corchado asking

for payment to Second Skin on several chargebacks issued by Second Skin. Atateks paid these

chargebacks to Second Skin in part in September 2006. The emails are attached hereto as

Exhibits B and C. Attached as Exhibit D is an example of one of the chargebacks that was sent

with the email attached as Exhibit B. Evidence of the wire transfer paying the chargebacks in

part is attached as Exhibit E.

Dated: New York, New York

June 10, 2008